**MODEL LETTER: FURLOUGH BY AGREEMENT (INDIVIDUAL)**

[Name]

[Address]

[or Email address]

[Date]

Dear [Name]

**Proposal to implement change of employment status - to designate you as a Furlough worker**

[Company Name] (the "**Company**") is currently experiencing a temporary shortage in work, due to the Coronavirus pandemic. The Company is therefore proposing to designate you as a Furlough worker under the terms of the Coronavirus Job Retention Scheme (the "**CJRS**") recently announced by the UK Government.

The CJRS has been designed to help UK employers such as the Company avoid redundancies during the Coronavirus pandemic. The CJRS allows for the creation of a new status of employee known as a "Furlough worker". This then helps the Company to access the CJRS to avoid potential redundancies and support retention of our employees at this difficult time.

**What is a Furlough Worker?**

Furlough is a legal term commonly used in the US which means grant leave of absence or temporary release. The UK Government has adopted this term in the CJRS – which sets out that any workers designated Furlough during the pandemic will remain employed.

In return, their employer can access grant funding equal to 80% of the worker’s wages (up to a maximum of £2,500 per month). While designated a Furlough Worker, the employee is not able to carry out any work for the Company.

When designated as a Furlough worker, the following terms will apply to you:

* You will receive x% of your wage

**Why are we asking for your agreement?**

We are asking for your agreement so that we can change your legal status in order that you, and the Company, may benefit from the new Government legislation in order to protect jobs and the business.

By designating you as a Furlough worker your terms and conditions will be amended such that you will not be required to work and your entitlement to pay and benefits would be limited to the amount set out above. All other terms and conditions of your contract of employment would continue to apply.

If you do not agree to this arrangement, the alternative may include the Company having to consider redundancies.

**When will this change happen?**

If you agree to the proposed change, this is intended to commence on [date]. The Government have confirmed that the CJRS will last until 31 May 2020 but may be extended. We envisage that you may remain designated a Furlough worker for the duration of this period.

This is a difficult time for the Company as well as our employees. We will keep monitoring and reviewing the situation and very much hope this is a temporary measure that will help the Company to overcome this difficult period.

Please sign and return the enclosed form if you agree to the above. Please send your form to [job

title] by [date]. Alternatively, you can email [email address] with the below details to confirm

your agreement. Please retain this copy of the letter for your records.

If you have any problems or queries, please do not hesitate to contact me.

Yours sincerely

[Name]

[Job title]

**Agreement by [COMPANY NAME] employee for Furlough**

I agree to the arrangements set out in the above letter and accept that my employment status will change to that of Furlough worker the date shown above.

**Employee name (PRINT):**

**Job title:**

**Department:**

**Signed:**

**Date:**